

June 13, 2002

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: David E. Janssen
Chief Administrative Officer

STATE LEGISLATIVE UPDATE

Budget Conference Committee Update

Status

The Conference Committee plans to finish its work by Saturday, June 15, 2002, which would put the budget bill, and the implementing trailer bills, up for votes in both houses sometime next week. It is unclear at this time if the budget and trailer bills will receive the required two-thirds vote needed for passage. A recent state appellate court decision would block a \$3 billion payment to schools and cut state worker paychecks to minimum wage if a budget is not in place by July 1, 2002. This decision creates additional pressure to approve an on-time budget.

Yesterday's Committee Action

In yesterday's update, we reported the Budget Conference actions. We have now obtained additional information on the following item.

Medi-Cal Quarterly Reporting: The Conference Committee reinstated Medi-Quarterly Status Reporting by Medi-Cal recipients. According to the County Department of Health Services (DHS), this action conflicts with the terms of the County's Section 1115 Medicaid Waiver. The Waiver's terms and conditions prohibit the State from reinstating quarterly reporting on a statewide basis. Consequently, there is concern that the Federal government could suspend or terminate the Waiver if it determines that the State materially

failed to comply” with its terms and conditions. DHS is scheduled to receive over \$400 million in Federal funds over the last three years of the Waiver, plus continued cost reimbursement of nonemergency outpatient services.

The State Department of Health Services is aware of the potential consequences of the Committee’s action, and believes the State Department of Finance and the budget conferees are also aware. Quarterly Reporting is expected to save the State’s General Fund \$155 million annually. We are working with the State Department of Health Services, and we will provide more information as it becomes available.

Today’s Committee Actions

On Wednesday, June 12, 2002, the Conference Committee took the following actions on “Open Item” issues of importance to the County.

Drug and Alcohol Treatment: Restored \$4.9 million for the Drug Court Partnership, directed \$2.4 million in local discretionary funds to technical assistance and perinatal programs, and approved the Governor’s recommendation to cut \$7.5 million in treatment programs.

Juvenile Justice/Citizen Option for Public Safety Grants: Adopted the Assembly version to fully fund both programs.

Williamson Act: Though both houses had voted to virtually eliminate State funding, the Conference Committee restored full funding.

Pursuit of County Position on Legislation

AB 2154 (Robert Pacheco), would delete the January 1, 2003 sunset date for the Expedited Youth Accountability Program and extend the program indefinitely.

Under current law, the Expedited Youth Accountability Program allows peace officers and probation officers to cite a juvenile directly to the Informal Juvenile and Traffic Court for any misdemeanor except crimes involving firearms, violence, or sex. The law requires that a juvenile will receive a hearing within 60 days. If the juvenile is not detained, a peace officer or probation officer must issue a citation to the juvenile and the parent or guardian, and obtain a written promise that the juvenile will appear in Juvenile Court.

According to the Probation Department, since the County implemented the Expedited Youth Accountability Program in 1998, it has reduced the average time before hearing a non-detained juvenile matter from six months to 60 days. The program has also reduced the amount of time District Attorneys and Public Defenders spend on juvenile hearings, and reduced the delay in issuing warrants for failure to appear.

Each Supervisor
June 13, 2002
Page 3

The Probation Department recommends that the County support AB 2154 because it will enable the County to continue the Expedited Youth Accountability Program and reduce the time spent on processing juveniles, and we concur. Therefore, our Sacramento advocates will support AB 2154.

AB 2154 passed the Senate Public Safety Committee on a 6 to 0 vote and is in the Senate Appropriations Committee awaiting a hearing date. It is supported by the California District Attorneys Association and the Los Angeles District Attorney's Office. There is no opposition on file.

We will continue to keep you advised.

DEJ:GK
IGR:zo

c: Executive Officer, Board of Supervisors
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All Department Heads
Legislative Strategist
Local 660
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
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